3*rd*.—The officers mentioned in the schedule to Bombay Act VII. of 1863 in the district subject to them and, under the British Government, the Collectors and Sub-Collectors, or other authorities superior to them, are recognised for the purposes of Article 3, Clause 1, of Section V. of the above mentioned Act as having been competent to issue deeds of grant or confirmation of partial or entire exemption from payment of Government Land Revenue.

4. The fee to be charged for each sunnud under Section X. of the above mentioned Act shall be Rs. 2, provided always that it shall be in the discretion of the Collector to reduce the fee to one rupee for special reasons to be recorded in writing.

5. The fees to be charged under Section XIII. of the above mentioned Act shall be eight annas for an extract from the register, and Rs. 5 for a copy of an extract from a map.

The above provisions shall apply to all the above named cities of Surat and Broach and the Town of Balsar.

By order,
F. S. CHAPMAN,
Chief Secretary to Government.

No. 2946 OF 1872.

To

L. R. ASHBURNER, ESQ., C.S.I.,
Revenue Commissioner, N.D.

Surat, 31*st December* 1872.

SIR,

I have the honour to request that you will be so good as to submit to Government the following remarks upon the correspondence regarding the City Survey of Surat which has taken place in my absence.

2. On the 12th July last Government were led, by information placed before it, to decide (Government Resolution No. 3367) that "it needs no further argument to prove that the Surat City Survey and Enquiry into titles is and must be financially a failure."

3. In consequence of this decision Government directed, in Resolution No. 5365 of October 28th, that the operations with Government establishments should be brought to a close, but proposed to the municipality to make over to them the "full proceeds"

of the survey, comprising the assessment of two pies on Government lands, the sunnud fees, and the Summary Settlement cess, provided they would complete the survey and enquiry at their own expense, the offer being subject to the confirmation of the Government of India.

4. This proposal has been accepted by the municipality subject to certain conditions which were considered not unreasonable by my *locum tenens*. His report on the subject No. 2467 of November 12th has not yet been disposed of by Government.

4. The City Survey of Balsar was considered by Government (Resolution No. 858 of February 26th, 1872) to be a "very successful operation," and Government were pleased to record the following remarks :—

"His Excellency in Council fully concurs in the commendation that has been bestowed on Mr. Carey for the careful and successful manner in which he has carried out these operations, and Mr. Hope also is entitled to great credit for establishing and working out the system of City Surveys which has in Gujrat been attended with such good results."

I now submit that the City Survey of Surat is as successful an operation hitherto, and certain to be attended with as good results, as that of Balsar. Were the fact otherwise, Mr. Carey and I would not have so failed in our duty as not to have long ago brought it to the notice of our superiors. I much regret that Government should have been troubled and the survey operations impeded, by inaccurate and incomplete information, submitted under a misapprehension, which apparently justified a different conclusion.

6. The figures of Mr. DeSouza's report were as under :—

Receipts.	Cash.	Rents Capitalised.	Total.	Expenditure.	Enquiry.	Survey.	Total.
Government—				Government—			
Past	4,217	8,683	12,900	Past	3,047	36,387	39,434
Future ...	7,794	26,040	33,834	Future ...	4,176	12,324	16,500
Total Govt.	12,011	34,723	46,734	Total Government.	7,223	48,711	55,934
Municipality—				Municipality—			
Past	59,496	...	59,496	Past	5,392	70,795	76,187
Future ...	51,211	...	51,211	Future ...	6,960	34,320	41,280
Total Municipality	1,10,707	...	1,10,707	Total Municipality	12,352	1,05,115	1,17,467
Grand Total..	1,22,718	34,723	1,57,441	Grand Total...	19,575	1,53,826	1,73,401

The result of these figures is obviously that given in the Government Resolution, viz., a loss of Rs. 9,200 to Government and Rs. 6,760 to the Municipality, or Rs. 15,963 in all, plus the cost of Enquiry Officers.

7. It is to be regretted that these calculations were not subjected to rigid scrutiny before the subject was laid before Government, and that subsequently, when they had been so scrutinised, the discrepancies they contained were not reported, and apparently not realised.

8. When the Government Resolution No. 3367 of July 12th was laid before the municipality, they appointed on August 28th a Sub-Committee to find out how matters really stood, consisting of Messrs. Ollivant, Oomedram Anundram, Ambalal Sakerlal (M.A.), DeSouza, Goolabdas Purshotumdas, and Ruttonshaw Pestonjee. Their report, dated September 28th, is a very lucid document, and affords the following results :—

Receipts.	Cash.	Rents Capitalised.	Total.	Expenditure.	Enquiry.	Survey.	Total.
Government—				Government—			
Past	4,409	13,100	17,509	Past	3,568	39,894	43,462
Future ...	15,253	45,322	60,575	Future ...	5,856	1,344	7,200
Total...	19,662	58,422	78,084	Total...	9,424	41,238	50,662
Municipality—				Municipality—			
Past	63,825	47	63,872	Past	6,547	74,274	80,821
Future ...	75,089	...	75,089	Future	...	16,318	16,318
Total...	1,38,914	47	1,38,961	Total ..	6,547	90,592	97,139
Grand Total...	1,58,576	58,469	2,17,045	Grand Total...	15,971	1,31,830	1,47,801

Thus there will be, according to the Committee, a gain to Government of Rs. 27,422, and to the Municipality of Rs. 41,822, or a total of Rs. 69,244. In other words, Government will get 54 per cent. and the Municipality 43 per cent. upon their respective actual outlays.

9. I append a brief memorandum showing the causes of these great discrepancies, from which it will appear that the principle of calculation is the same as in Mr. DeSouza's returns except in one instance, where the Committee have adopted 25 years' purchase, instead of 20 years, in capitalising the annual rents.—In this they seem correct, as Government 4 per cent. paper is now above par; but the 20 years' rate would still leave Government a past profit

under that head of Rs. 11,682, instead of Rs. 13,100. I think that the Committee's figures, as deduced above, may be thoroughly depended on as far as they go, for it comprised at least two members who were no friends to the survey, as also Mr. DeSouza, who concurred in the corrections of his own previous hasty miscalculations, and it had a competent and unprejudiced Chairman in Mr. Ollivant, who had no previous connection with the survey.

10. I have said that these statistics may be depended on, *as far as they go,* because I now propose to point out certain further emendations of which they are susceptible. In the first place, the annual proceeds of the Delhi Gate road in future and of the Railway suburb lands, past and future, have been omitted, owing apparently to a misconception of the scope of my letter No. 2350, of October 28th, 1869, and Government Resolution No. 132, of January 7th, 1870. I then argued that the sale proceeds of occupancy of these lands, which were assigned for special purposes quite irrespective of, and mostly anterior to the survey, should not be thrown in as results of the latter, but my objection was not meant to reach the annual income, which arises through the 99 years' lease system introduced by myself as a part of the City Survey, and legalised in Act IV., 1868. As the survey expenses now shown include the survey and mapping of these lands, it is perhaps reasonable that the income also should appear. The capitalised value, to be added to the Government profit, is consequently Rs. 18,150. The past income of the Delhi Gate road has already been included in the previous figures.

	Present.	Future.	Total.
Delhi Gate Road	.....	16	16
Railway Suburb	478	232	710
Grand Total.....	478	248	726

11. A further emendation which may be made is by employing three Enquiry Officers instead of two, of whom two should be Fifth Grade Deputy Collectors on Rs. 300, costing consequently scarcely more than one of the present officers. The advantage of three officers has been pointed out by the Committee and urged on Government in paras. 6, 7, and 8, of Mr. Shaw Stewart's No. 2114 of October 5th. Three officers will complete the work in 1y. 9m. instead of 2y. 8m. with a reduction of cost to Government of Rs. 2,475 and to the Municipality of Rs. 478.

12. I would further support the recommendation of the Committee that a higher rate of fee should be charged in the case of certain vacant lands, the claimants of which will derive immense advantage from the less elaborate enquiries which will in future be made in such cases. I would also recommend a higher fee where one sunnud contains, as often happens, a number of subordinate

properties or "pot numbers" each involving a separate decision. The increase of summud fees from these sources may be put roughly at fully Rs. 3,000.

13. I likewise observe that the vacant land already adjudicated on and transferred to the charge of the revenue authorities under the old term of Killa Bazar has been overlooked. This amounts to fully 28,246 square yards, much of it in good parts of the town, and may be valued at Rs. 14,123, besides the yearly income of Rs. 295 at the usual rate, or Rs. 7,375 capitalised.

14. The totals of para. 8 amended as suggested in the preceding four paragraphs, will be as shown in the margin, giving Government a return of 114 per cent. and the municipality one of 61 per cent. for their respective outlays.

	Receipts.	Expenditure.	Profit.
Government	1,03,609	48,187	55,422
Municipality.....	1,56,084	96,661	59,423
Total.....	2,59,693	1,44,848	1,14,845

15. I have now to bring to notice a most important item in any calculation of this sort which appears to have been entirely overlooked by all the local officers who have dealt with the question on this occasion, namely, the reversionary rights over leased lands which will accrue at the end of 99 years. Every lease granted in the city (and the number issued already is about 160) contains the clause quoted marginally, securing the imposition of a fresh assessment, as also the payment of a fresh fine for occupancy, with the alternative of surrender of the lands. It is obvious that with the consent of both parties the fine may be merged in an enhanced assessment, or the assessment redeemed by an enhanced fine, if that course should then be preferred.

* If the said term should not become forfeited under any of the preceding clauses of this lease, but should expire by effluxion of time, the said ..... heirs, successors, legal representatives, and assigns, shall have a renewal of the said lease for further successive periods of ninety-nine years in perpetuity on consenting to pay the annual rate which may be assessed on the said land at a general revision of assessment at the commencement of such periods, as also a premium to be fixed by Government for the continuance of the right of occupancy for each such period, and if the said..... heirs, successors, legal representatives, and assigns shall not assent to or comply with such terms, Government shall, at the expiration of the then expiring period of ninety-nine years, enter upon and take possession of the said demised premises, and the said..... heirs, successors, legal representatives, and assigns, shall, at the expiration of the said term, or within six calendar months after Government shall have given notice of the terms on which it is willing to renew the lease, clear off all buildings and erections that may be upon the said demised premises, unless the Collector and the said..... .....heirs, successors, legal representatives, and assigns shall in the meantime agree upon a valuation to be put upon the said buildings and erections, and the Collector shall assent to take them at such valuation.

16. This reversion now belongs to Government. It was considered an important element in the adjustment of City Survey expenses which took place in 1867, and cannot now with propriety be overlooked. Its value cannot, of course, be estimated with any approach to accuracy at this date, but if we consider that the mere occupancy of land already leased has realised about Rs. 66,000 up to date, it is perhaps no exaggeration to say that unless Western India be depopulated by fire and sword the rights of both re-assessment and re-sale of occupancy will at the end of the term be worth several lakhs of rupees. Through the completeness of the survey records they will then be readily distinguishable. To secure them alone, to say nothing of the other advantages urged on the Legislative Council at the passing of Act IV. of 1868, it would be worth, while, I respectfully submit, even to continue the survey at a loss, much more is it so when it will yield a clear pecuniary gain. At any rate it is not much if Government be accounted to give in return for them the services of two or three Enquiry Officers whom, as it happens, they can spare without incurring a single rupee of additional expense.

17. It remains for me to show the financial effect of the arrangement offered to, and provisionally accepted by, the municipality :—

Receipts.	Cash.	Rents Capitalised.	Total.	Expenditure.	Enquiry	Survey.	Total.
Government—				Government—			
Past ...	4,409	...	4,409	Past ...	3,568	39,894	43,462
Future ..	19,200	..	19,200	Future ..	.	...	.
Total. .	23,609	.	23,609	Total...	3,568	39,894	43,462
Municipality—				Municipality—			
Past ...	63,825	13,147	76,972	Past ...	6,547	74,274	80,821
Future ..	1,04,465	70,847	1,75,312	Future... ..	25,056	17,662	42,718
Total...	1,68,290	83,994	2,52,284	Total .	31,603	91,936	1,23,539
Grand Total...	1,91,899	83,994	2,75,893	Grand Total .	35,171	1,31,830	1,67,001

It will be seen that Government, even after making a gain of Rs. 19,200 by charging the municipality for the services of the Enquiry Officers, will have a cash loss of Rs. 19,853 instead of the gain of Rs. 55,422 shown in para. 14, while the municipality will gain Rs. 1,28,745 instead of Rs. 59,423, and also become proprietors of the valuable reversion of the leased lands. The latter ap-

pears to be involved in the terms offered, and equitably so, as the municipality incur all risk and make heavy present outlay which they will have to raise a loan to meet.

18. As Government will no doubt wish to have the above calculations verified in the best possible manner, I have submitted them to those of the late Sub-Committee who are now present in Surat, and subjoin their report of full concurrence (Appendix B). It only remains for me to mention that I find the sale of land going on steadily at a reasonable rate, and that the important suit affecting the levy of sunnud fees, referred to in Mr. Shaw Stewart's No. 2022 of September 23rd, was decided on the 23rd instant in favour of Government.

19. In conclusion, I trust that Government will consider the proposition in para. 5, that the Surat Survey is in a satisfactory condition, to have been substantiated, and I would also respectfully suggest that Government, in consequence of the further information now before it, might re-consider its former decisions and revert to the *status quo*, under which it will secure the advantages set forth in para. 14., and the reversionary rights, for the trifling outlay, as hitherto, of Rs. 225 per mensem, or about Rs. 4,725 in all, spread over nearly two years, together with the services of three Enquiry Officers.

I have, &c.,
T. C. HOPE,
Collector.

APPENDIX A.

Memorandum showing the principal causes of discrepancy between Mr. DeSouza's original figures and his revised ones contained in the Committee's report.

1. The Committee bring the account down six months later to September 30th.

2. *Work done and to be done.*—There was a considerable under-estimate of both.

3. *Sunnud Fees.*—These were considerably affected by the above under-estimate.

4. *Sale of Lands.*—The Committee have taken only one-fourth of the lands at present unclaimed, and priced them at 8 annas per yard, which is half the present usual minimum. Mr. DeSouza put them at 4 annas only, which reduction was unnecessary in addition to that of $\frac{3}{4}$ths of the area.

5. *Establishment.*—Mr. DeSouza calculated for the Survey and Enquiry continuing for 4 years with a large establishment, which the abridged method of working and increase of Enquiry Officers show to be unnecessary.

6. There was a large error in the amount of Summary Settlement.

APPENDIX B.

To

T. C. HOPE, Esq.,
Collector, and President, Surat Municipality.

Surat, 24th December 1872.

Sir,

We have the honour to inform you that we have carefully examined your draft report on the City Survey. The statistics given in para. 8 correspond precisely with our estimate, after the correction of a slight inaccuracy regarding the amount of full assessment derivable by Government, which was detected after our report was written. We have no objection to offer to the emendation proposed in para. 10, and the suggestions in paras. 11 and 12 are in entire accordance with the view which we previously took. Had we not been misinformed as to the extent of land adjudicated on, the sum of Rs. 295 inserted in para. 13 would undoubtedly have been added to our statement of the receipts. The summary given in para. 14 is therefore quite correct.

2. We much regret that an item so important as that referred to in your 15th paragraph should have been allowed to escape our attention, and we are glad to have this opportunity of expressing our concurrence in the remarks you have made on this subject.

3. The figures in the final summary (para. 17) are correct, and the entries correspond with the explanations given in the preceding paragraphs.

We have, &c.,
E. C. K. Ollivant.
Oomedram Anundram.
Gulabdas Purshotumdas.
Ratansha Pestonjee.